Copy / of 8

25X1

MEMORANDUM FOR: Acting Deputy Director for Science

and Technology

SUBJECT

: Project Officers Handbook,

OSP Comments

- 1. In response to your request for our suggestions in improving the usefulness of the Project Officers Handbook, we wish to submit the following comments, recognizing that, while we have not been specifically involved in R&D efforts peculiar to CIA alone, we do find that our experience and the technical direction, contracting for, and the support of the NRO Satellite Reconnaissance Programs may have application in the broad sense to CIA R&D efforts in general. It is within this framework that we proffer our comments.
- 2. In view of the nature of our association with the National Reconnaissance Programs, much of the methodology which we employ in the solicitation of proposals, selection of contractors, negotiation and approval of contracts, and other efforts involved in the execution of these programs encompass not only the normal Agency procedures and techniques which may apply but also appropriate U. S. Air Force and DoD procedures. Therefore, while generally following the procedures asset forth in the Project Officers Handbook in principle, we, by reason of our hybrid condition, extend beyond that which would be considered normal and proper for Agency R&D contracting. This duality of masters is particularly evident to us in the manner in which we plan programs, select contractors, obtain contract approvals, and conduct programs both from a technical and administrative standpoint.

NRO review(s) completed.

TOP SECRET Approved For Release 2004/05/12 : CIA-RDP69B00596R000100090015-1

SUBJECT: Project Officers Handbook, OSP Comments

- 3. In the conduct of programs under the National Reconnaissance Program and the respective handling of funds, we, as an Office, must insure that we conduct ourselves in a manner which is not only responsive to the National Reconnaissance Program and in consonance with procedures thereto but also that we conform to appropriate directives, procedures, and authorities of the Director of Central Intelligence.
- 4. The recent competition and source selection process conducted by OSP in general followed Air Force source selection processes and procedures. This was of necessity, first of all, because it was directed by the DNRO and, secondly, because of the requirement to interface with other systems for which the Air Force was conducting its own source selection. Additionally, it was the DNRO himself who approved the membership of the Source Selection Boards and their recommendations as to the contractor and directed the contract award accordingly.
- 5. Under the 11 August 1965 NRP agreement, the Agency is required to account to the NRO for the conduct of the programs as well as the contract and fiscal status thereof. As a part of this function, special reports such as the NRO quarterly report, monthly status of funds report, and the annual budget call procedures have been established between the Director of Reconnaissance for CIA and the NRO. The requirements of these reports vary in detail (although they do not conflict) from those set forth in the Project Officers Handbook.
- 6. The concept of the Project Officers Handbook, we believe, is a sound one; and its use should indeed be adopted as a guide in Agency R&D procurements. We would have some difficulty in applying it in its totality to our NRO activities.
- 7. We have not evaluated this book in detail with the concept of using it as a mandatory regulation. Rather, we have looked upon it as a guide in generating good practices and establishing

Da == 2	
Page 2	

25X1

25X1

TOP SFCRFT Approved For Release 2004/05/12 : CIA-RDP69B00596R000100090015-1

SUBJECT: Project Officers Handbook, OSP Comments

methods of evaluating our practices to insure that the necessary and fundamental objectives of procurement are carried out. In the assessment of this Handbook by our various office and project staffs, we have accumulated a considerable amount of data which can best be reviewed informally, and we would welcome the opportunity to discuss these with or any member of your staff. Should you prefer a more detailed and formalized review, we will gladly devote the necessary resources to refining and submitting such data.

25X1

25X1

JOHN J. CROWLEY
Director

Office of Special Projects

Page 3

25X1